57. Government and Co-operative Societies.

MR. K. PARAMESVARA PANIKKAR (*Member, Shertallai taluk, Group I*) said that there were nearly 1,500 co-operative societies controlled by the Co-operative Department and that co-operative work was becoming wider and wider. The department should therefore be made a major department and the pay and powers of its head should be enhanced.

The Co-operative Department had to seek the aid of the Judicial or Revenue Department for the realisation of the decree amounts by the execution of the awards or by means of the Revenue Recovery Regulation. Recoveries under that Regulation were easier in practice. But the Revenue authorities could not be expected to act with promptitude in the matter when they had other work to do. The Registrar of Co-operative Societies, who had now no powers over the Tahsildars, should be invested with the powers of a Division Peishkar under the Revenue Recovery Regulation and also for registering lands in favour of depressed classes.

As Protector of the Depressed Classes, the Registrar was handicapped in his work. In 1101, only 2 per cent. of the lands earmarked for assignment to the depressed classes was actually registered. The low percentage was due to the fact that the Registrar had no power to sanction registry of lands. If the Registrar could not be empowered to register lands to depressed classes, the Revenue authorities should be asked to act according to his recommendations. It was stated in the Dewan's Address that the necessity for a full-time Protector of the Depressed Classes was keenly felt. According to the member, the depressed classes could obtain salvation only through co-operative societies and therefore the Registrar of Co-operative Societies and the Protector of the Depressed Classes should always be one and the same person. Besides, the creation of a new post would entail unnecessary additional expenditure.

In view of the importance and the usefulness of the Co-operative Department, its head should be nominated as a member of the Legislative Council.

The Industries, Agricultural and Co-operative Departments should be amalgamated and placed under a Development Commissioner. That would ensure the combined working of three allied departments and promote the economic development of the State, besides enabling a substantial retrenchment in expenditure. Such a course would also automatically enhance the status and powers of the Registrar of Co-operative Societies.

There was no central organisation to collect and investigate the raw products of Travancore. Such an organisation was a necessity and could be started only with the help of the Government. There was no objection to withdraw Government support after sufficient training was given to local people. It was only after the establishment of such an organisation on a firm basis that Travancore could look forward to trade agents in foreign countries for finding markets for *copra* and other indigenous products.

Although there were about 1,500 co-operative societies working, people had not fully realised the benefits of co-operation. Co-operation was capable of educating the public in self-government and economic enterprises. It had besides an ethical and even intellectually educative basis. The principles of co-operation should be taught in schools as a compulsory subject so that the pupils might, in the fulness of time, become good citizens. Small treatises dealing with the principles of co-operation should be prescribed for pupils in the primary and the secondary schools.

Very few of the co-operative societies were properly managed. The organisers should be given proper training. It would not be too much to ask the Government to open training classes for the purpose. The Government might ask the All-Travancore Union to open training classes for training the organisers of the Taluk Unions, and give grants for the purpose. There was no objection to withdraw the grants after a period of four years.

Another means of helping the co-operative movement was by the registry of land for agricultural purposes in favour of the several co-operative societies. That would tend to the economic uplift of the people.

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The All-Travancore Co-operative Conference had appointed a committee to prepare a scheme for the opening of a Land Mortgage Bank. The co-operative societies were not able to advance long-term loans on property security. Such loans could be granted only if Land Mortgage Banks were established. State aid for such banks was necessary under the following heads, *viz*:—(1) supply of initial capital; (2) guaranteeing of interest on debentures; and (3) declaration of debentures as trustee securities.

The State-Aided Bank could not help the agriculturists as its scope was mainly confined to help the merchants and others by giving short-term loans. The necessity of the agriculturists was to redeem their debts by raising loans covering long periods and repayable in easy instalments. A joint stock company could not be expected to work with any altruistic notion like a co-operative concern.

Agriculture too could be properly developed only by co-operation. The existing rules relating to the grant of agricultural and industrial loans were framed when there were no co-operative societies. There was unusual delay in conducting enquiries into the necessity for a loan and the sufficiency or otherwise of the security offered. Consequently, the loans did not often serve the purpose for which they were required. Loans could with advantage be issued through co-operative societies, which would watch the application of the loans. The Land Improvement and Agricultural Loans Regulation and the Rules thereunder should be amended suitably.

As already stated, there were over 1,500 co-operative societies throughout the State and Taluk conferences were held several times for the promotion of co-operation. The resolutions passed at those conferences were not duly considered by the Government and the Legislative Council. That was chiefly because there was nobody in the Council or in the Popular Assembly pointedly to draw the attention of the Government to the subject. Co-operative societies should therefore be allowed to return at least three members to the Legislative Council at the rate of one member for every 500 societies, and two members to the Sri Mulam Popular Assembly.

In conclusion, the member said that, without State help, co-operative societies could not progress. Such help was elsewhere being rendered in the shape of loans on easy terms to Co-operative Central and Land Mortgage Banks. Co-operation was also taught in several schools. In Travancore also, similar action was necessary.

DEWAN'S REPLY: Mr. Parameswara Panikkar, you strongly advocate that the Protector of Depressed Classes should of necessity be the same individual as the Registrar of Co-opertive Societies. There may be good reasons that it should be so; equally there are good reasons why I think it should not be so. Co-operation is not the only form in which the depressed classes need assistance and help. There are various other things such as education, and economic conditions generally, providing good land, social re-organisation, social observances, and all sorts of things of that kind to be done. Some of the forms of assistance are so intimate that perhaps the necessary help can only be given by a member of that community who alone may possess sufficient understanding of their outlook on life. That, however, is a matter which is being separately considered. I merely mentioned this to show that it is not possible to claim any complete and final acceptance on the part of the Government of the theory that the Protector of Depressed Classes must of necessity be the Director of Co-operation.

Another point you took up relates to a trade agent for Travancore abroad. Let me tell you that no such idea has ever crossed the mind of the Government and no question of trade agent or any other agent outside or inside Travancore has been thought of by me or is under consideration by the Government now. So you need have no anxiety about a trade agent being called into being in some remote country.

I heard what you said about the Land Mortgage Bank. I am very much interested in it, but more than that that it will have my interest, I cannot say at present.

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You ask that co-operative societies be required to return members to this Assembly and to the Legislative Council. As far as I can make out, no special representation is required as regards this Assembly because the cause of co-operation has already been amply and powerfully represented here. In regard to the Legislative Council, I have no doubt that that point will come up if and when the Council is re-constituted and its electoral rules are re-modelled. As things stand, there is no possibility of meeting your suggestion. All the other points of your speech will be noted and carefully considered.

58. Means of communication in, and the economic condition of, Travancore.

MR. N. K. PADMANABHA PILLAI (*Member, Neyyattinkara taluk, Group I*) in congratulating the Government for the preparation of the Statement of Action taken on the representations made at the previous session of the Assembly, said that it would have been better if the statement had been placed earlier in the hands of the members as that would prevent repetition of subjects represented last year.

Passing on to his subject, he said that it was his aim to bring to the pointed notice of the Government that the principle to be adopted in carrying out public works should be that the works which benefited the people at large should have preference to others which benefited only a section of the people. If that principle be accepted, the Government would realise that there were pressing public works more urgently required than the proposed railways. Railways would be an urgent necessity in a country where trade and industry had already developed to the utmost possible extent. In Travancore, trade and industry had developed only to the extent that they attained in Europe in the fifteenth century. So far as communications in Travancore were concerned, roads were a greater and far more urgent necessity than railways. For transport of goods, there were canals from one end of the State to the other. Better means of communication would become necessary only when the economic condition of the people improved. For the improvement of the economic condition, cottage industries and agriculture should be encouraged.

During the past fifty years, the Government were not evincing interest in the restoration of irrigation channels, *chiras*, tanks, bridges, culverts and roads situated in the rural areas. For want of proper attention, many channels, *chiras* and tanks had been rendered useless to the public and had been declared as *porambokes*. Many of such *porambokes* were also sold by the Government.

Agriculturists mostly lived in rural areas and the economic condition of the State depended on their prosperity. But the major portion of the allotment for public works was spent on the towns and in the planting districts. That had discouraged the people living in rural areas and left them helpless. Many of them migrated to towns or the planting districts. To improve such a deplorable state of affairs, the Government should try to open up the country and earmark at least 80 per cent. of the allotments for public works during the next ten years for improving the means of communication there. Expenditure on account of the luxurious improvements of towns and big buildings for schools and colleges should be stopped for the time being. An adequate number of roads should first be opened in rural areas for affording facilities for transport of manure to the fields. Irrigation tanks should be repaired or opened wherever necessary. Grazing blocks should be preserved intact without being registered away.

In reserved forests and in the interior taluks, there were still large extents of land available for paddy cultivation. But they were inaccessible and consequently people were not attracted towards such lands. If the necessary roads and irrigation channels be opened, the area under paddy cultivation would gradually increase year by year and ultimately there would be no need for importing any paddy from outside.

Roads and canals were necessary in every taluk. It was a source of consolation that a major portion of the allotment in the Public Works budget was spent on roads and irrigation *maramath* in 1101. But a settled programme of work for improving the agricultural needs of the rural areas was necessary. It was only the adoption of such a policy that would remove the evils of unemployment and discontentment among the people.

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